

Article - Business Regulation

[\[Previous\]](#)[\[Next\]](#)

§14–217.

(a) If the Commissioner finds that it is necessary and appropriate for the protection of prospective franchisees or subfranchisors because a franchisor has not made adequate financial arrangements to fulfill the franchisor's obligations under an offering, the Commissioner may require the franchisor to escrow franchise fees or other money paid by a franchisee or subfranchisor until the obligations have been satisfied.

(b) (1) At the option of the franchisor, the franchisor may post an adequate surety bond as provided by regulations of the Commissioner.

(2) The total liability of the surety under the bond may not exceed the penal sum of the bond.

[\[Previous\]](#)[\[Next\]](#)